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VERITY INSTRUMENTS, INC.

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

LAM RESEARCH CORPORATION

Plaintiff,

v.

VERITY INSTRUMENTS, INC.,

Defendant.

Case No. C 06-07088-JSW

**STIPULATED REQUEST AND  
[PROPOSED] ORDER MODIFYING:  
(1) CASE MANAGEMENT  
CONFERENCE DATE; (2) ADR  
DEADLINES; (3) DATE FOR  
VERITY TO ANSWER LAM'S  
COMPLAINT; AND (4) BRIEFING  
SCHEDULE FOR MOTION TO STAY  
AND NOTICED HEARING DATE**

Subject to the Court's order, pursuant to Civil. L. R. 6-2 and the agreement of the parties, the parties have stipulated and agreed that defendant Verity Instruments, Inc. ("Verity") have until May 25, 2007 to answer plaintiff Lam Research Corporation's ("Lam") complaint of patent infringement, Lam should have until June 1, 2007 to file its opposition to defendant Verity's Motion to Stay (Docket Item No. 10), and that defendant Verity should have until June 8, 2007 to file its reply. By this stipulation, the parties also respectfully request that the noticed hearing should also be changed to June 22, 2007, or whatever date is convenient for the Court. The parties also request that the ADR Deadlines pursuant to ADR L.R. 3-5(b) and (c) be continued to June 1, 2007 so that the parties may meet and confer to discuss the ADR process. Finally, the parties also request that the Case Management Conference, which is currently scheduled for May 18, 2007, also be continued to the same date as the proposed hearing date, June 22, 2007, subject to the Court's convenience.

Thus, the parties stipulate to and respectfully request the following modifications, subject to the Court's convenience:

Event	Current Date	Proposed Date
Answer Complaint		May 25, 2007
ADR Deadlines	April 27, 2007	June 1, 2007
Opposition to Motion to Stay	April 27, 2007	June 1, 2007
Reply	May 4, 2007	June 8, 2007
Hearing on Motion to Stay	May 18, 2007	June 22, 2007
Case Management Conference	May 18, 2007 at 1:30 p.m.	June 22, 2007, at 1:30 p.m.

#### 1. Good Cause Exists for Enlargement of Time

Verity filed the Motion to Stay on December 7, 2006 seeking an order staying the present suit until final judgment is entered in Verity's suit against Lam in the Eastern District of Texas (i.e., Case No. 4:01cv321 "the Texas Action"). The hearing on Verity's Motion to Stay has been continued three times, all for good cause, as the parties have been involved in negotiating a settlement. The most recent continuation was pursuant to an Order entered March 13, 2007,

continuing the hearing May 18, 2007. As part of continuing the briefing schedule and hearing date regarding the Motion to Stay, the parties have further stipulated that Verity's answer to the complaint be due one week before Lam's opposition to Verity's Motion to Stay is due.

Since entry of the March 13, 2007 Order, the parties have reached a settlement in principle for global resolution of all pending litigation, including this matter, the Texas Action, and another lawsuit currently ongoing in the Northern District of California, San Jose, styled Lam Research Corp. v. Verity Instruments, Case No. C 06-07088 JSW ("the San Jose Action"). Although a settlement in principle has been reached, the parties are still negotiating the terms of the settlement and additional time is needed to finalize the same. In the interim, the parties respectfully request that the Court enter the modified schedule as requested above.

## 2. Previous Time Modifications

Prior to reaching a settlement in principle for global resolution of all pending litigation, including this matter, the parties were engaged in on-going settlement discussions which resulted in the continuation of the dates below.

### a. Motion To Stay

On December 11, 2006, the Court entered an order setting the briefing schedule on Verity's Motion to Stay. The schedule provided that Lam would have until December 19, 2006 to oppose Verity's Motion to Stay, Verity's would have until January 5, 2007 to reply and the hearing for the Motion to Stay was scheduled for February 2, 2007. Since that order, the briefing schedule has been modified as follows:

Entry of Order Modifying Schedule	Modified Opposition Date	Modified Reply Date	Modified Hearing Date
January 3, 2007 (Docket No. 17)	February 16, 2007	February 23, 2007	March 16, 2007
February 14, 2007 (Docket No. 21)	March 16, 2007	March 23, 2007	April 6, 2007
March 13, 2007 (Docket No. 26)	April 27, 2007	May 4, 2007	May 18, 2007

b. ADR Deadlines

The Court's November 16, 2006 Initial Case Management Scheduling Order set the last day for the parties to file ADR Certifications and a Stipulation and [Proposed] Order Selecting ADR Process or a Notice of Need for ADR Phone Conference for March 16, 2007. Upon continuation of the Case Management Conference to May 18, 2007, these deadlines were also continued to April 27, 2007. The parties now request that these deadlines be continued to June 1, 2007, twenty-one (21) days prior to the requested Case Management Conference date of June 22, 2007.

c. Case Management Conference

The Court's November 27, 2006 Order Setting Case Management Conference set the Case Management Conference for April 6, 2007. On March 13, 2007, the Court entered an order rescheduling the Case Management Conference to May 18, 2007. The parties now request that the Case Management Conference be further continued to June 22, 2007, subject to the Court's convenience.

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### 3. Effect on the Current Schedule in the Case

To conserve both the Court's and the parties resources, the parties respectfully request that in addition to modifying the briefing schedule on Verity's Motion to Stay, the Court continue the Case Management Conference currently set for May 18, 2007 to June 22, 2007, subject to the Court's convenience. The requested time modification will not have any effect on other Court-ordered dates as none have been entered.

Respectfully submitted,

Dated: May 3, 2007

Dated: May 3, 2007

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On this day the Court considered the parties' stipulated request for a modification to (1) the Case Management Conference date; (2) the ADR Deadlines; (3) the last day for Verity to file an answer to Lam's complaint; and (4) the hearing date and briefing schedule concerning defendant Verity's Motion to Stay.

**PURSUANT TO STIPULATION, IT IS SO ORDERED:**

1. The Case Management Conference shall be held on June 22, 2007.
2. The parties shall have until June 1, 2007 to file ADR Certifications and a Stipulation and [Proposed] Order Selecting ADR Process or a Notice of Need for ADR Phone Conference.
3. In regard to Verity's answer to Lam's complaint, Verity shall have until May 25, 2007 to answer.
4. In regard to Verity's Motion to Stay,
  - a. Plaintiff Lam shall have until June 1, 2007 to file its opposition to Verity's Motion to Stay;
  - b. Defendant Verity shall have until June 8, 2007 to file its reply to Lam's opposition; and

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c. The hearing for the Motion to Stay shall be scheduled for June 22, 2007, or until further notice by the Court.

IT IS SO ORDERED.

Dated this 7 Day of May, 2007.

The Hon. Jeffrey S. White  
U.S. District Court Judge